

Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket No. D.T.E. 02-24/25
Record Request Response

Record Request No.: AG-RR-16 (Electric)

Confirm whether or not the Company is billed by ISO New England for pool transmission facilities, or for transmission or transmission-related services, and that will be for ISO New England or NEPOOL.

Response:

Yes, FG&E is billed by ISO New England on behalf of NEPOOL under NEPOOL's Open Access Transmission Tariff for pool transmission facilities ("PTF") and for transmission -related services. First, pursuant to ISO-NE's Tariff No. 1 and Tariff No. 2, FG&E is billed for ISO's cost of operation including its staff and A&G costs and for capital costs. (See Response to DTE-RR-19.) FG&E also takes comprehensive transmission service from New England Power ("NEP") covering a portion of PTF (that is not covered by the NEPOOL Open Access Transmission Tariff) and for some of NEP's non-PTF costs.

Each monthly NEPOOL invoice issued by ISO-NE includes NEPOOL's billing portion of the PTF charges. NEP bills FG&E for the remaining PTF costs and for some NEP non-PTF costs. Both the NEPOOL and NEP costs are recovered in FG&E's External Transmission Charge.

FG&E's own PTF costs are recovered in its Internal Transmission Charge. These costs are submitted to NEP annually. NEP incorporates FG&E's PTF costs into its own for inclusion in the NEPOOL Open Access Transmission Tariff. FG&E receives reimbursement for these PTF costs from NEP. NEP's payment is credited to FG&E's Transition Charge, thus the net amount recovered for FG&E's own PTF costs is zero. In its restructuring plan, FG&E proposed to credit NEP's payment to the Internal Transmission Charge, however, the Department found that the payment should be credited to FG&E's Transition Charge.

Person Responsible: Karen M. Asbury